

SENATE BILL 3285
By Fowler

AN ACT to amend Tennessee Code Annotated, Section
67-6-322, relative to exemptions from sales and
use tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-322(e), is amended by
designating the present language as subdivision (1) and by adding the following language as
new subdivision (2):

(2)

(A) If a dealer delivers tangible personal property at the dealer's business location to a purchaser representing or claiming to represent an educational, religious, charitable institution or organization or historical property exempt from sales and use tax levied by this chapter and the dealer obtains and maintains on record a copy of the certificate required by subdivision (1), the name and address of the purchaser, and the purchaser's affiliation with the institution or organization or historical property, then the dealer shall not be liable for payment of any tax determined to be due under this chapter if the transaction is subsequently found not to be tax exempt.

(B) If a dealer delivers directly or through a delivery service tangible personal property to an educational, religious, charitable institution or organization or historical property exempt from sales and use tax levied by this chapter at the business location of the institution, organization or historical property and the dealer obtains and maintains on record a copy of the certificate required by subdivision (1), then the dealer shall not be liable for payment of any

tax determined to be due under this chapter if the transaction is
subsequently found not to be tax exempt.

SECTION 2. This act shall take effect July 1, 2006, the public welfare requiring it.